

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



January 29, 1999

ALL COUNTY INFORMATION NOTICE I-07-99

TO: ALL COUNTY WELFARE DIRECTORS

REASON FOR THIS TRANSMITTAL

- ☐ State Law Change
- ☐ Federal Law or Regulation Change
- ☐ Court Order
- ☐ Clarification Requested by One or More Counties
- ☒ Initiated by CDSS

SUBJECT: MICROENTERPRISE DEMONSTRATION PROJECTS

The purpose of this letter is to provide counties with information regarding Microenterprise Demonstration Projects as provided in Assembly Bill (AB) 1542, Chapter 270, Section 18238, and to clarify the position of the California Department of Social Services (CDSS) regarding the projects. AB 1542 authorizes CDSS to develop and implement microenterprise demonstration projects with the consent of participating counties. These projects would provide self-employment training and technical assistance to recipients of California Work Opportunity and Responsibility to Kids (CalWORKs) benefits and persons who are at risk of receiving CalWORKs benefits.

These projects must operate for three years in up to six counties. Of these, at least one project must operate in Los Angeles and one in an unspecified northern California county. These projects are not mandated by AB 1542, and no state funding has been authorized for their development. If matching funds become available from entities such as local microenterprise agencies, county sources or other non-state governmental agencies, the number of projects may be increased to no more than twelve. Persons participating in microenterprise projects who are at risk of receiving CalWORKs benefits, yet not on aid, cannot receive services from the CalWORKs single allocation.

Counties should note that Welfare and Institutions Code Section 11322.6 specifies that self-employment is an acceptable welfare-to-work activity, and also allows for the provision of training necessary to assist an individual to become self-employed. Accordingly, counties may provide self-employment activities to recipients through their respective CalWORKs Welfare-to-Work program without entering into a formal demonstration project.

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However, if counties wish to pursue microenterprise as a demonstration project, state staff from the Demonstration Projects Bureau is available to provide technical assistance in the development of a proposal. If your county is interested in pursuing a microenterprise project and desire technical assistance from state staff, please contact Christine McCaleb, Chief, Demonstration Projects Bureau at (916) 657-4249.

Sincerely,

***Original Document Signed By
Jo Weber on 1/28/99***

JO WEBER, Chief
Work Services and Demonstration Projects Branch

c: CWDA
CSAC